

Appendix C

Regional Greenhouse Gas Initiative (RGGI) Revenue Forecast

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By Ian G. Burnes
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1. What is the purpose of this testimony?

This testimony describes the Efficiency Maine Trust's (the Trust's or EMT's) forecasting analysis for Regional Greenhouse Gas Initiative (RGGI) revenue for the Triennial Plan VI period covering fiscal years (FYs) 2026-2028.

2. Who is introducing this testimony?

The testimony is provided by Ian Burnes, Director of Strategic Initiatives at the Trust.

3. Mr. Burnes, please state your name, title, and business addresses.

My name is Ian Burnes, and I am employed by the Trust as the Director of Strategic Initiatives. My business address is 168 Capital Street, Suite 1, Augusta, ME 04330.

4. Please summarize your educational and professional experience.

I have a Bachelor of Arts degree in Economics from Wesleyan University. I have been working at the Trust since 2009. My responsibilities include overseeing the strategic initiatives team that implements the Trust's project reporting and tracking database, maintaining the Technical Reference Manuals, overseeing the program evaluations, and managing the Trust's resource in ISO-NE's Forward Capacity Market. Before coming to the Trust, I worked at the Governor's Office of Energy Independence and Security.

5. What are the Trust's RGGI funding forecasts for Triennial Plan VI?

The Trust anticipates that it will receive the following RGGI revenues in each fiscal year of Triennial Plan VI:

- FY 2023: \$26 million
- FY 2024: \$26 million
- FY 2025: \$26 million

6. Describe the Trust's methodology for developing a RGGI revenue forecast for Triennial Plan VI.

In TPV the Trust arrived at a RGGI revenue forecast for Maine by using the administrative floor price set for the regional auctions. The actual revenues for TPV were more than twice that amount, prompting the Trust to seek a more accurate estimate. The Trust consulted with the authors of the AESC 2024, but found that those experts had no new information and used the floor price in their modeling. So, to estimate the revenue for TPVI the Trust took the average total proceeds from

Auction 54 through 61. This generates a \$26 million a year estimate or \$6.5 million per quarter. The Trust opted not to include auctions 62-64 in its average because 62 and 63 included the release of Cost Containment Reserve and 64 had a price per-allowance well outside the previous eight quarters.

Table 1:

ME	Allowance Price	Total Allowances Sold	Total Auction Proceeds
Auction 54	\$13.00	564,255	\$7,335,315.00
Auction 55	\$13.50	485,316	\$6,551,766.00
Auction 56	\$13.90	498,803	\$6,933,361.70
Auction 57	\$13.45	485,316	\$6,527,500.20
Auction 58	\$12.99	522,490	\$6,787,145.10
Auction 59	\$12.50	472,803	\$5,910,037.50
Auction 60	\$12.73	472,803	\$6,018,782.19
Auction 61	\$13.85	472,803	\$6,548,321.55
Auction 62	\$14.88	742,319	\$11,045,706.72
Auction 63	\$16.00	751,495	\$12,023,920.00
Auction 64	\$21.03	544,145	\$11,443,369.35

7. Will the Trust update this forecast during the Triennial Plan VI period?

Yes. Given that quarterly auctions results have exceeded the range of prices anticipated by market experts, the Trust will continue to closely monitor results and market reports. It will update the forecast as needed and notify the Commission as part of its Annual Update report.

8. Does this conclude your testimony?

Yes.